BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

For a Declaratory Order on the Extra Credits for Apprentice Labor Provision of RCW 19.285.040(2)(h).

No. U-111663

SUPPLEMENTAL STATEMENT BY RENEWABLE NORTHWEST PROJECT AND NW ENERGY COALITION

The Washington Utilities and Transportation Commission ("UTC" or "Commission") indicated in a Notice dated October 6, 2011, that it would be useful for parties to address whether it would be "legally appropriate and, if so, advisable from a legal and policy perspective" to grant Puget Sound Energy's ("PSE's") Petition while foreclosing other applications of PSE's multiplier-renewable energy credit ("REC") bifurcation proposal. In a Statement of Fact and Law dated September 28, 2011, Renewable Northwest Project ("RNP") and the NW Energy Coalition ("NWEC") expressed their affirmative answer to those questions. We asserted that the questions of distributed generation multiplier bifurcation and transferability of multipliers are legally inextricable from the question presented, that they separately meet the requirements for a declaratory order, and that the Commission would create undesirable policy confusion if it granted PSE's Petition without addressing those issues.

RNP and NWEC provide this brief supplemental statement only to point out that, even if the Commission were to conclude (contrary to our view) that it is procedurally

precluded from addressing those questions in response to PSE's Petition for Declaratory Order, it may always address those questions in a policy statement upon its own motion. RCW 34.05.230; RCW 34.05.010(15); WAC 480-07-920. We continue to believe that a definitive ruling in response to PSE's Petition is the appropriate and preferable approach. But the Commission should not allow procedural constraints on the declaratory order mechanism to prevent it from addressing the troubling policy implications that we have identified. When it responds to PSE's Petition, the Commission can and should place clearly defined limits on the concept of bifurcating RECs from multipliers. Where those limits are stated—in a declaratory order or in a policy statement—is of secondary concern.